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 SKILLED HEALTHCARE, LLC*

**UNITED STATES DISTRICT COURT
 DISTRICT OF NEVADA**

UNITED STATES OF AMERICA, et al.,

 Plaintiffs,

v.

CREEKSIDE HOSPICE II, LLC, et al.,

 Defendants,

AND ALL RELATED ACTIONS.

Case No.: 2:13-cv-00167-APG-PAL

JOINT STATUS REPORT

Plaintiffs United States of America, Joanne Cretney-Tsosie, and Veneta Lepera and
 Defendants Creekside Hospice II, LLC, Skilled Healthcare Group, Inc., and Skilled Healthcare,
 LLC (all hereinafter referred to as “Creekside”), submit the foregoing Joint Status Report

1 pursuant to the Court's September 2, 2016 Order (Dkt. #162) and the Court's November 7, 2016
 2 Order granting the parties' Joint Motion to Stay Action Until February 28, 2017. (Dkt. #183).¹

3 **I. Background and Status of Discovery**

4 This action is brought by the United States and Relators Joanne Cretney-Tsosie and
 5 Veneta Lepera under the False Claims Act against a hospice provider, Creekside Hospice, and its
 6 corporate parent, Skilled Healthcare. The gravamen of the action is that Creekside violated the
 7 False Claims Act by knowingly submitting or causing the submission of false claims to Medicare
 8 for reimbursement for hospice services for patients who were ineligible for coverage in the time
 9 period 2010 to 2013. These allegations are disputed and Creekside filed a motion to dismiss the
 10 action in August 2015. (Dkt. #98).² Discovery commenced in June 2015 and is not completed by
 11 the parties. There is no Scheduling Order in this action. The parties' unresolved discovery
 12 disputes are set forth in Status Reports that were filed in September 2015. (Dkt. #111-13). A
 13 temporary stay against depositions of current and former employees was granted by the Court in
 14 September 2015, and no expert discovery has occurred. (Dkt. #114).

17 Throughout 2016, the United States and Creekside engaged in significant and productive
 18 discussions pertaining to settlement of the action. The parties filed a Joint Unopposed Motion to
 19 Stay Action for Ninety Days Pending Settlement Discussions on June 2, 2016 (Dkt. #159). The
 20 Court granted that Motion on June 15, 2016. (Dkt. #160). On September 1, 2016, the parties filed
 21 a joint Motion to Continue Stay until November 15, 2016 (Dkt. #161), which the court granted on
 22 September 2, 2016 (Dkt. #162). On November 7, 2016, the Court extended the stay until January
 23 6, 2017. (Dkt. #173). On January 6, 2017, the Court extended the stay until February 28, 2017.

27 ¹ Counsel for Relator Lepera has not replied when asked to approve the final version of this Status Report.

28 ² In light of the parties' agreement in principle to settle the dispute, the Court dismissed without prejudice Creekside's Motion to Dismiss as moot. (Dkt. #162).

(Dkt. 183). The parties seek an additional stay to April 28, 2017 to finalize the settlement documents related to this action.

II. Settlement Agreement and Other Outstanding Issues

The United States and Creekside have reached an agreement in principle pertaining to settlement of the action. The parties need additional time to obtain the necessary approvals for the proposed settlement, including the approval of the Acting Assistant Attorney General for the Civil Division and the United States Attorney for the District of Nevada.

In addition, Relator Cretney-Tsosie and Defendants are currently negotiating Relator's statutory attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d). If these negotiations are not successfully concluded by the time the action is dismissed, Relator Cretney-Tsosie will file a motion for attorneys' fees consistent with Local Rule 54-14.

Finally, in the event Relator Cretney-Tsosie and the Government are unable to reach an agreement as to the percentage for her relator's award pursuant to 31 U.S.C. § 3730(d), Relator Cretney-Tsosie will file a motion with the Court to resolve the share issue.

III. Motion to Continue the Court's November 7, 2016 Order Staying this Action

The parties respectfully request that the Court continue its stay until April 28, 2017 in order to give the parties time to obtain the necessary approvals for the proposed settlement and to execute the agreement and submit dismissal papers to the Court. The parties request that the stay exclude adjudication of Plaintiff/Relator Cretney-Tsosie's Motion to Dismiss the Complaint of Plaintiff/Relator Lepera ("Motion to Dismiss") (Dkt. 166), which is now fully briefed and raises an issue that will not be resolved by the Settlement Agreement. A stay will assure that the Court does not engage in case activity unnecessarily and will reduce the burden and expense of the litigation process for the parties. A Motion to Continue Stay Until April 28, 2017 and proposed order accompanies this Joint Status Report.

1 Dated: February 23, 2017

Respectfully submitted,

2 *Counsel for Defendants Creekside Hospice II,*
3 *LLC, Creekside Home Care II, LLC, Skilled*
4 *Healthcare Group, Inc. and Skilled Healthcare,*
5 *LLC.*

6 /s/ Kathleen McDermott

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**UNITED STATES DISTRICT COURT
 DISTRICT OF NEVADA**

UNITED STATES OF AMERICA, et al.,

 Plaintiffs,

 v.

 CREEKSIDE HOSPICE II, LLC, et al.,

 Defendants,

Case No.: 2:13-cv-00167-APG-PAL

**JOINT MOTION TO CONTINUE STAY
 UNTIL APRIL 28, 2017**

AND ALL RELATED ACTIONS.

Plaintiffs United States of America, Joanne Cretney-Tsosie and Defendants Creekside Hospice II, LLC, Skilled Healthcare Group, Inc., and Skilled Healthcare, LLC (all hereinafter referred to as “Creekside”), jointly move to continue the stay in this action until April 28, 2017, except for the Court’s adjudication of Plaintiff/Relator Cretney-Tsosie’s Motion to Dismiss the Complaint of Plaintiff/Relator Lepera (“Motion to Dismiss”), (Dkt. 166), which is fully briefed,

1 based upon an agreement in principle between the United States and Creekside to settle this
 2 action, subject to approval of Department of Justice officials. A stay will allow the parties to
 3 execute the agreement and file the necessary paperwork with the Court to dismiss the action.
 4 This stay will prevent additional burden on the Court and unnecessary burden and expense to the
 5 parties. All parties to the action consent to the request for a stay.
 6

7 **WHEREFORE**, Plaintiffs United States of America, et al., and Defendants' Creekside
 8 Hospice, et al., move this Honorable Court to:

- 9 A. Grant their Joint Motion to Continue Stay; and
 10 B. Enter an order staying this case in its entirety until April 28, 2017.
 11

12 Dated: February 23, 2017

Respectfully submitted,

*Counsel for Defendants Creekside Hospice II,
 LLC, Creekside Home Care II, LLC, Skilled
 Healthcare Group, Inc. and Skilled Healthcare,
 LLC.*

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16 IT IS SO ORDERED.

17 
 18 UNITED STATES DISTRICT JUDGE

19 Dated: February 23, 2017.

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